

**MARINE ENVIRONMENT PROTECTION
COMMITTEE
69th Session
Agenda item 5**

AIR POLLUTION AND ENERGY EFFICIENCY

**Comments on review of fuel oil availability as required by regulation 14.8 of MARPOL
Annex VI – Progress report of the Steering Committee**

Submitted by International Chamber of Shipping (ICS) and INTERTANKO

SUMMARY

Executive Summary: The co-sponsors propose that the 69th Session of the Committee should agree in principle that a final decision on the implementation date of the 0.5% sulphur in fuel cap should be taken at MEPC 70.

Strategic direction: 7.3

High-level action 7.3.1

Planned output 7.3.1.10

Action to be taken Paragraph 8

Related Documents MEPC 69/5/4, MEPC 68/5/1 and MEPC 68/21

Introduction

1 This document is submitted in accordance with the provisions of paragraph 6.12.5 of the Guidelines on the organization and method of work of the Maritime Safety Committee and the Marine Environment Protection Committee and their subsidiary bodies (MSC-MEPC.1/Circ.4/Rev.3) and comments on document MEPC 69/5/4 submitted by the Steering Committee Coordinator.

2 The co-sponsors reiterate their support for regulation 14.1.3 of MARPOL Annex VI concerning the introduction of the 0.5% m/m maximum sulphur content of fuel oil, and welcome the progress report of the Steering Committee overseeing the review of fuel oil availability as required by regulation 14.8 (MEPC 69/5/4).

3 The co-sponsors particularly welcome the intention, set out in the Timetable at Annex 1 of MEPC 69/5/4, for the executive summary of the review on fuel availability to be submitted 13 weeks before MEPC 70, and for the final report to be circulated 9 weeks before MEPC 70.

Need for early decision on the 1 January 2020 implementation date

4 While delivering significant health and environmental benefits, the implementation of the global 0.5% sulphur cap will nevertheless have profound implications for the economics of international shipping.

5 Ship operators and oil refiners will require as much time as possible to prepare for implementation. The oil refining industry will need to take important decisions to ensure that sufficient quantities of compliant fuel will be available. Shipowners will need to take important decisions *inter alia* about whether to invest in alternative compliance mechanisms such as exhaust gas cleaning systems ('scrubbers') or the use of low sulphur fuels such as LNG.

The date of implementation of the 0.5% sulphur cap may also affect decisions on whether or not ships will be sent for early recycling.

6 In view of the economic impact that the implementation date of the 0.5% sulphur cap will have on international shipping, and the decisions that need to be taken by oil refiners and shipping companies worldwide, the co-sponsors suggest that it is vital that the Organization takes a clear decision about whether or not implementation will take place on 1 January 2020, and that this decision should be made as soon as possible – ideally at MEPC 70.

7 The co-sponsors therefore request that the Committee, at MEPC 69, should agree in principle that a final decision on the date of the implementation of the 0.5% sulphur cap will be taken at MEPC 70, so that maritime administrations and industry can prepare and plan accordingly.

Action requested of the Committee

8 To consider the proposal in paragraph 7 above, and to decide as appropriate.